



NEVADA DIVISION OF  
**ENVIRONMENTAL  
PROTECTION**



# *State Revolving Fund (SRF) Changes*

## *Listening Session*

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As of April 12, 2023



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Nevada Department of  
**CONSERVATION &  
NATURAL RESOURCES**

# Agenda

- **Funding to Nevada**
  - **Clean Water State Revolving Fund (CWSRF)**
  - **Drinking Water State Revolving Fund (DWSRF)**
- **NDEP Requirements to receive funding**
- **How to get funding from the programs?**
- **New changes for loans**

# Website resources

- <https://ndep.nv.gov/water/financing-infrastructure>

## Current Topics and News:

[Bipartisan Infrastructure Law Presentation PowerPoint Mar 2022](#)

[Bipartisan Infrastructure Law Presentation PowerPoint Dec 2021](#)

[Drinking Water Regulation are Adopted](#)

[Drinking Water Regulation Change Announcement](#)

[Drinking Water Regulations](#)

# Website resources

- <https://ndep.nv.gov/water/financing-infrastructure>
  - **Join our mailing list**
  - **Get start-to-finish checklists for projects**
  - **Find out which systems and projects qualify for funding**
  - **Current priority lists**
  - **Current intended use plans**
  - **Staff contact information**

# Available Funding to Nevada

Clean Water State Revolving Fund (CWSRF) Annual Appropriation	
National Appropriation	\$1,638,861,000
Less Congressionally Directed Spending (Earmarks)	(\$863,108,642)
Net National appropriation	\$775,752,358
<b>Nevada's Available share for the CWSRF</b>	<b>\$3,683,000</b>
<b>This is a 53.9% reduction from the grants before BIL</b>	

CWSRF Bi-partisan Infrastructure Act (BIL) Funding	
Supplemental Appropriation Available	\$10,233,000
Emerging Contaminants Available	\$1,043,000
<b>Total BIL Funding Available</b>	<b>\$11,276,000</b>

<b>CWSRF for Nevada in Federal Fiscal Year 2023</b>	<b>\$14,959,000</b>
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# Available Funding to Nevada

Grant	10% Subsidy mandate	30% Subsidy to qualified systems	100% Subsidy to eligible projects	Green Projects <sup>A</sup>
Annual Appropriation	\$368,300	\$1,104,900	\$0	\$368,300
BIL Supplemental Grant	\$0	\$5,014,170	\$0	\$1,023,000
BIL Emerging Contaminants	\$0	\$0	\$1,043,000	\$104,300
<b>Total</b>	<b>\$368,300</b>	<b>\$6,119,070</b>	<b>\$1,043,000</b>	<b>\$1,495,600</b>

<sup>A</sup> Green Projects are those that are reducing energy or water usage. They include reuse projects or the installation of solar panels as examples.

# Available Funding to Nevada

Drinking Water State Revolving Fund (DWSRF) Annual Appropriation	
National Appropriation	\$1,126,101,000
Less Congressionally Directed Spending (Earmarks)	(\$609,255,899)
Net National appropriation	\$516,845,101
Nevada's Available share for the DWSRF	\$5,120,000
<b>This is a 59.8% reduction from the grants before BIL</b>	

DWSRF Bi-partisan Infrastructure Act (BIL) Funding	
Supplemental Appropriation Available	\$21,830,000
Emerging Contaminants Available	\$7,921,000
Lead Service Line Grant Available	\$28,650,000
Total BIL Funding Available	\$58,401,000

<b>DWSRF for Nevada in Federal Fiscal Year 2023</b>	<b>\$63,521,000</b>
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# Available Funding to Nevada

Grant	14% Subsidy mandate	35% Subsidy to disadvantaged systems	49% Subsidy to disadvantaged systems	100% Subsidy to eligible projects
Annual Appropriation	\$716,800	\$1,792,000	\$0	\$0
BIL Supplemental Grant	\$0	\$0	\$10,696,700	\$0
BIL Emerging Contaminants	\$0	\$0	\$0	\$7,921,000
BIL Lead Service Lines	\$0	\$0	\$14,038,500	\$0
<b>Total</b>	<b>\$716,800</b>	<b>\$1,792,000</b>	<b>\$24,735,200</b>	<b>\$7,921,000</b>

**Principal Forgiveness available to Disadvantaged Systems**

**\$12,488,700**



# Nevada Requirements to receive Funding

- **Must** have enough overall projects to demonstrate need
  - The grants are **not** automatically given to Nevada.
  - Demonstrated through the Priority List
    - Not all projects on the priority list are ready to proceed for NEW money
    - Cost estimates from an engineer—based on a practical assessment
- **Must** have enough projects that meet special requirements
  - Disadvantaged / meets affordability
  - Green Project Reserve
  - Small Systems
- Application timelines
  - Must apply within two years or funds will be swept
  - Must commit loans within one year of receiving funds
  - Must attempt to spend funds within two years of commitment

# Emerging Contaminants

- **Projects eligible for Funding**

- Must be an eligible CWSRF or DWSRF Project
- **Primary Purpose to address an emerging contaminant in drinking water**
- Primary focus on PFAS contaminants
  - Polyfluoroalkyl
  - Perfluoroalkyl
- Projects that address any contaminant listed on any of EPA's Contaminant Candidate Lists (CCL) 1-5.
  - Pesticides
  - Disinfection byproducts
  - Pharmaceuticals
  - Biological toxins
  - Waterborne pathogens
  - Other microbial
  - Other Chemical

- **Technical Assistance Projects**

- Assistance in applying for funding, diagnose problems, training, pilot testing, monitoring

Federal Year	Nevada amount
CWSRF	\$1,042,000
DWSRF	\$7,921,000

**100% of these funds are available as principal forgiveness**

**DWSRF  
25% must go to a disadvantaged community or a system that serves less than 25,000 residents**

# DWSRF Lead Service Lines

- Projects eligible for Funding

- Must be an eligible DWSRF Project
- Primary Purpose to address lead in the service line (Service line is defined as the pipe from the distribution line in the right-of-way to the residential building wall (past the meter)).
- Complete removal of the entire line (public and privately owned portion)
- Removal of lead or galvanized goosenecks, pigtails, and connectors.
- Replacement of curb stops, curb stop boxes, and other service line appurtenances
- Site restoration: landscaping, sidewalks, driveways, if the removal was necessary to replace the lead service line.
- Temporary pitcher filters or P.O.U. devices

- Technical Assistance Projects

- Assistance in applying for funding, diagnose problems, training, inventories, mapping

Federal Year	Nevada amount
2023	\$28,650,000

**49% of these funds are available as principal forgiveness to disadvantaged communities**

**Special loan terms of 0% interest is available for the loan portion**

# Affordability / Disadvantaged

## CWSRF Systems that meet affordability criteria

NDEP uses a scale to determine whether the system / project meets affordability criteria. Items such as median household income, unemployment, poverty rates, population trends, rate changes, and specific project circumstances are considered.

## DWSRF Disadvantaged Systems

The DWSRF regulations were recently updated to change the definition:

*Disadvantaged community means an area, as compared to other communities in this State, residents disproportionately experience economic, environmental or health issues, including, without limitation, high rates of poverty or unemployment.*

NDEP plans to utilize the same scale as the CWSRF program.

**MARK YOUR CALENDAR: Priority List workshops are scheduled for June 14, 2023**

# Priority List Ranking Changes

## CWSRF Changes

### Before

The initial points are multiplied by a factor to determine the final score: state median household income / system median household income

### After

Systems that meet affordability criteria shall receive an additional 25 points to the initial score to determine the final score.

## DWSRF Changes

### Before

The initial points are multiplied by a factor to determine the final score: state median household income / system median household income

### After

Systems that meet affordability criteria shall receive an additional 25 points to the initial score to determine the final score.

# What does the rank mean?

- The SRF programs are required to develop a ranking system to address the most urgent needs first.
- Nevada has the ability to bypass a system on the list if they are not “ready-to-proceed.”
  - Will they need funding before the next grant
  - Will open projects need more money due to bid busts.

**DO NOT WAIT FOR US TO CALL YOU!**

# How to get on the priority list?

- Create a “pre-application” in the Nevada Infrastructure Financial System (NIFS) by **May 5, 2023**.  
<https://ndepifs.ndep.nv.gov/Default>
  - Does not commit the system to funding
  - Systems are not able to be funded by the CWSRF or DWSRF unless they are on the priority list

**Pre-applications can be submitted at any time in NIFS. The deadline is set to finalize the next priority list.**

# BIG changes to loans are here!

- Loan Assistance for federal requirements

- **Now offering No-cost assistance** to help your project comply with Davis-Bacon, American Iron and Steel (AIS), Build-America, Buy America (BABA), or procurement requirements.

- Loan incentives

- A portion of the federal grants are now being made available for traditional loan borrowers as **principal forgiveness loans** Subject to grant conditions and federal appropriations. (Subject to availability)

- Locked in interest rates

- Projects longer than three years can now receive the **same interest rate for the whole project** on multiple loans. Subject to approval from the State Treasurer's Office. (subject to approval from the State Treasurer)

- Loan Security

- Security for loans can be in the form of a revenue bond instead of a general obligation bond. This **reduces issuance and processing times and costs**. (Subject to approval from the State Treasurer)



# BIG changes to loans are here!

- Interest rates

- A **bigger reduction** to the market rate—as low as 54% of the Bond Buyer 20 index.

- Example**

- 20-year Market rate = 3.66%

- SRF 20-year rate (estimate)=1.98%

- SRF 30-year rate (estimate) = 2.37%

- Subject to change based on market conditions.
  - Bond Buyer 20 rates are adjusted by the Municipal Market Data (MMD) scale for 30-year loans.

- Loan Length and structure.

- Standard Loan terms changed from 20-years to **30-years**, or the useful life of the assets, for both the Clean Water Revolving Fund and Drinking Water Revolving Fund.
  - DWSRF loans for *disadvantaged systems* changed from 30-years to **40-years**, or the useful life of the assets.
  - Level debt service not required



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## **DWSRF and CWSRF website:**

<https://ndep.nv.gov/water/financing-infrastructure/state-revolving-fund-loans>

## **Join our mailing list:**

<https://ndep.nv.gov/water/financing-infrastructure>

## **Questions:**

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